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100 Park Avenue, New York, N.Y. 10017

To: • Distribution  
From: • Al Udow  
Subject: • Status of Merit Bounce-Back and Lighter Tests

Date: November 17, 1981

*file*  
R-1-J

1. Challenge Bounce Back

Approximately November 30, we will receive from ADA a print-out of names and addresses of people who were sent two packs of Merit up to that date in response to the normal Merit Bounce-Back offer.

Early in 1982 calls will be made to 300 requesters of each of the eight packings of Merit to establish current shares and recent switching. These findings will be compared with the concurrent Tracking Study to see if the Bounce-Back requesters were higher in these two key measures. Nine to ten weeks will elapse between the card receipt and the interviews.

2. Challenge Bounce Back Postage Paid Test

A total of 2,000 special Bounce Back cards are being printed to be given to the sales force to be intermingled with the 5 million they are currently handing out. These will differ in two respects from the "standard" cards:

- (a) All 2,000 of these special cards will be addressed to 100 Park Avenue so that they can be identified and handled separately.
- (b) Half of them will have a business reply form; the others will require a stamp provided by the consumer in the standard fashion.

Market Research will draft a letter to the sales force, with instructions on the random intermingling that is required.

Interviewing will be done at the same time, and in the same way as described in Point 1, above. The findings will be segregated.

The analysis will include a comparison of rate of return and "quality" of return (e.g. extent of competitive brand smokers, amount of conversion, demographics, etc.)

3. Challenge Bounce Back Carton Test

We are expecting to receive, starting today, and for the next ten working days, 300 selected cards per day from ADA. At first, these will be:

- (a) from non-problem states (ADA has the definition)
- (b) clear-cut packing requests.

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Later on, we will specify which packing requests we want (to fill our quotas of the smaller packings such as Merit Ultra Lights 100's Menthol).

Commercial Analysts is set up to look up telephone numbers.

Those cards which do not result in usable telephone numbers, will be sent back to ADA the next day for normal fulfillment (two packs).

We will attempt to assemble 200 telephone numbers for each of the Merit packings. These 1,600 cards, with telephone numbers, will be set aside for telephone interviewing early in 1982.

On a daily basis, Commercial Analysts will type the names and addresses of those 1,600 card senders on plain pressure - sensitive labels. They will include a code number, as follows, to indicate which packing should be sent:

<u>Packing</u>	<u>Code</u>
MERIT	
85 Regular	719
85 Menthol	729
100's Regular	769
100's Menthol	779
Ultra 85 Regular	1,019
Ultra 85 Menthol	1,029
Ultra 100 Regular	1,039
Ultra 100 Menthol	1,049

The labels will then be sent to Market Research for checking, sorting and forwarding for fulfillment (together with an explanatory letter -- see attached -- for each consumer). These people will receive a full carton. Fulfillment will be made by:

Bill Pearce  
Customer Service  
PM - Richmond

The "sorting" referred to will make it easier for Mr. Pearce to take care of the various state taxes and ship products. Thus all labels will be grouped by State (Alabama to Wyoming) and within each State by product code (719 to 1,049).

Research follow-up will permit comparison with the two previously described elements of this project.

#### 4. Consumer Offer (Lighter/two packs)

On November 5, all 1,737 sales reps were each sent eight postage paid post cards to be attached to the backs of the eight packings of the Merit Lighter offer.

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Cards started to come back yesterday. If all the reps placed all their cards as instructed, there are just under 14,000 cards in place now. A 25% return rate will produce 3,500 cards.

Almost all of those coming back have telephone numbers shown, and none of those spot-checked so far are "under 18" (whom we would not telephone).

At Rick's request, we are going to hold these until November 30, at which time he will start mailing out the promised gift (a Thesaurus). We will start interviewing on December 7 -- before the Thesaurus arrives. We hope to finish interviewing by December 21 to avoid the Christmas rush and so as not to conflict with the Tracking Study.

The difference in timing is due to the fact that the product gets into the hands of the consumers at once -- generally in mid-November rather than much later as would be the case with the mail-out packs and cartons.

It is suggested that the same questionnaire be used. In this case, we cannot control the way the returns are distributed over the eight packings. We will easily reach 200 smokers of Merit King Regular, by sampling those requesters and not calling the rest. We will probably need to call all of the small packing requesters (notably Merit Ultra Lights 100's and Menthols). It is anticipated that the 3,500 cards (the expected return) will make this possible.

*ai*

AI Udow

AU/vm  
Attachment

Distribution:

R. Fitzmaurice  
T. Keim  
R. Stirlen ✓  
J. Zoler

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## SUMMARY

### 1. Challenge Bounce Back

Names due November 30. Large volume, print-out, regular two pack mail out from AD of A.

Phone research Early 1982. (Concurrent with '82 Tracking)

Numbers 300 of each of the eight packings

### 2. Bounce Back Postage Paid

Special cards addressed to 100 Park

1,000 otherwise standard

1,000 business reply postage paid

Names will be drawn from all packings

Phone research Same as above.

### 3. Bounce Back Carton Test

Cards: 3,000 drawn at random from normal bounce back.

Phone numbers: Being Took up by Commercial Analysts

Fulfillment: Full carton sent by Bill Pearce, Richmond with explanatory letter provided by MRD.

Phone research: Same as above.

### 4. Consumer Offer (Lighter/Two packs)

Cards coming in now. Phone numbers included

Gift Thesaurus to go out starting November 30.

Phone research December 7-21. Same questionnaire, slightly different time period.

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